

## Message Text

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17

ACTION PM-03

INFO OCT-01 EA-06 ISO-00 NSC-05 SP-02 SS-15 RSC-01 L-02

MC-01 CIAE-00 INR-07 NSAE-00 EB-07 OMB-01 AID-05

IGA-01 /057 W

----- 047337

R 270715Z JAN 75

FM AMEMBASSY SINGAPORE

TO SECSTATE WASHDC 1902

INFO SECDEF

CINCPAC HONOLULU HI

CINCPACFLT

C O N F I D E N T I A L SINGAPORE 0375

E.O. 11652: GDS

TAGS: MASS, SN, US

SUBJECT: SHIP TRANSFER

REF: STATE 016244

1. PRIOR TO GOS REQUEST FOR LEASE EXTENSION, DAO SINGAPORE MET WITH PERMSEC MINDEF PANG TEE POW ON SEVERAL OCCASIONS CONCERNING POSSIBLE OPTIONS, INCLUDING THE SALE INSTEAD OF A LEASE OF THE LST EX USS HOLMES COUNTY. GOS HAD BEEN INFORMED UNOFFICIALLY IN NOVEMBER 1972 OF USG WILLINGNESS TO SELL THIS SHIP FOR THE THEN CURRENT SCRAP VALUE OF 100,000 U.S. DOLLARS. HOWEVER, FAILURE OF DAO TO PRESS AND OF GOS TO SUBMIT OFFICIAL REQUEST HAS RESULTED IN GOS LOSS OF INTEREST IN SALE SINCE PURCHASE PRICE HAS MORE THAN DOUBLED, OWING TO RAPID RISE OF SCRAP PRICES.

2. SINGAPORE NAVY HAS DEVOTED APPROXIMATELY ONE MILLION U.S. DOLLARS IN OVERHAULING THIS LST SINCE ACQUIRING IT IN 1971 AND CONTINUES TO MAINTAIN SHIP IN GOOD TO EXCELLENT OPERATING CONDITION. (SHIP RECENTLY MADE SUCCESSFUL TWO-MONTH MIDSHIPMAN CRUISE TO PERSIAN GULF.) IF LEASE  
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EXTENDED, NAVY WOULD HAVE TO DEVOTE SOME ADDITIONAL FUNDS

TO MAINTAINING VESSEL DURING FIVE YEAR PERIOD.

3. GOS HAS CAREFULLY DOUDIED POSSIBILITY OF SALE BUT HAS CONCUDED THAT SHIP HAS ONLY FIVE MORE YEARS OF USEABLE LIFE. THEREFORE, IT IS RELUCTANT TO DEVOTE SIGNIFICANT ADDITIONAL FUNDS TO PURCHASE SHIP WHEN IT CAN ONLY BE USED FOR RELATIVELY LIMITED PERIOD OF TIME. HOWEVER, SINCE LST IS ESSENTIAL TO SINGAPORE NAVY TRAINING PROGRAM, GOS IS MOST ANXIOUS TO HAVE LEASE EXTENDED FOR ADDITIONAL FIVE YEARS.

4. COMMENT. U.S. REFUSAL TO EXTEND LEASE WOULD BE MISUNDERSTOOD AND HAVE NEGATIVE IMPACT ON US-SINGAPOREAN BILATERAL RELATIONS AT A TIME WHEN WE NEED GOS COOPERATION AS WE SEEK ALTERNATIVE ARRANGEMENTS FOR MAINTAINING U.S. ACCESS TO NAVAL FACILITIES IN SINGAPORE FOLLOWING DEPARTURE OF UK FORCES. THEREFORE, EMBASSY RECOMMENDS APPROVAL OF FIVE-YEAR LEASE.  
GRANT

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SALES, USS HOLMES COUNTY, LEASES, NAVAL SHIPS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 27 JAN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ElyME  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Document Number:** 1975SINGAP00375  
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**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**Office:** ACTION PM  
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**Original Previous Handling Restrictions:** n/a  
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**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 016244  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ElyME  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 23 JUL 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <23 JUL 2003 by MartinML>; APPROVED <20 NOV 2003 by ElyME>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
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**Subject:** SHIP TRANSFER  
**TAGS:** MASS, SN, US  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006